

MOTION BY SUPERVISOR MICHAEL D. ANTONOVICH

NOVEMBER 12, 2003

CABLE TELEVISION FRANCHISES

The County of Los Angeles has 36 cable television franchises with approximately 111,000 cable subscribers in the unincorporated areas of Los Angeles County. The Department of Consumer Affairs is responsible for the administration of the County's cable television franchising. The County receives from cable operators 5 percent of their gross revenues [Section 622 (b) of the Cable Act of 1984, 47 U.S.C. §542 (b)] for their use of the County rights-of-way, which is equivalent to approximately 3 million dollars annually.

In addition to Federal law, the County has ordinance authority applicable to cable television system franchises (County Code, Title 16, Division 4). These sections of the County Code were written in the late 1980's. Since then, there have been many changes in law, technology and compensation, which make it necessary to amend these sections to bring Title 16, Division 4 of the County Code current.

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Molina	_____
Yaroslavsky	_____
Knabe	_____
Antonovich	_____
Burke	_____

Additionally, the large majority of the County's cable franchises are subject to renegotiation of their terms because they will be expiring soon. It will be imperative to have changes to the County Code in place prior to the renegotiation of the expiring cable franchises.

Federal law has preempted local franchising authorities such as the County, from asking for many things in exchange for a cable franchise. However, some terms such as public, educational, and government support, upgrades to cable systems and customer service standards can be addressed on a local level.

These tasks illustrate the need for obtaining the best possible professional support to ensure that County Code amendments and renegotiated cable franchises offer maximum benefit to the County. Further, expert legal counsel will be necessary to assist in negotiating and drafting the cable franchise renewals.

I, THEREFORE, MOVE, that the Director of the Department of Consumer Affairs work with County Counsel to retain expert legal counsel in the area of cable franchise law as soon as possible and, to determine whether there is a need to identify additional funding to accomplish its legal objectives and to report back within 45 days.

I, FURTHER MOVE that we direct the Department of Consumer Affairs to maximize revenue opportunities as it renegotiates the County's cable television franchises.

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